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**CITY OF VILLE PLATTE, LOUISIANA**

**Financial Statements**

**Year Ended June 30, 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/30/08

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## INDEPENDENT AUDITORS' REPORT

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The Honorable Bill Jeanmard, Mayor,  
and Members of the Board of Aldermen  
City of Ville Platte, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ville Platte, Louisiana, as of and for the year ended June 30, 2007, which collectively comprise the basic financial statements of the City's primary government as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements referred to above include only the primary government of the City of Ville Platte, Louisiana, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the City's legal entity. The financial statements do not include data for the City's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the City's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the City of Ville Platte, Louisiana as of June 30, 2007, and the changes in its financial position and its cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the primary government of the City of Ville Platte, as of June 30, 2007, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Member of:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

Member of:  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

In accordance with Government Auditing Standards, we have also issued our report dated October 4, 2007, on our consideration of the City of Ville Platte's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The City of Ville Platte has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The required supplementary information, on pages 42 through 44, is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Ville Platte's basic financial statements. The other financial information and supplemental information on pages 46 through 69 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards (page 75) is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements of the City of Ville Platte. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Ville Platte, Louisiana  
October 4, 2007

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

## CITY OF VILLE PLATTE, LOUISIANA

Statement of Net Assets  
June 30, 2007

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and interest-bearing deposits	\$ 4,695,170	\$ 727,264	\$ 5,422,434
Receivables, net	121,627	529,365	650,992
Due from other governmental units	117,853	-	117,853
Inventory-materials and supplies, at cost	-	15,263	15,263
Prepaid items	14,974	13,822	28,796
Total current assets	<u>4,949,624</u>	<u>1,285,714</u>	<u>6,235,338</u>
Noncurrent assets:			
Restricted assets:			
Cash and interest-bearing deposits	-	1,273,529	1,273,529
Capital assets, net	10,727,671	12,559,308	23,286,979
Unamortized bond issuance costs	-	42,635	42,635
Total noncurrent assets	<u>10,727,671</u>	<u>13,875,472</u>	<u>24,603,143</u>
Total assets	<u>15,677,295</u>	<u>15,161,186</u>	<u>30,838,481</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and other payables	244,084	163,919	408,003
Internal balances	208,075	(208,075)	-
Short term debt payable	700,000	430,000	1,130,000
Accrued interest	72,136	20,097	92,233
Total current liabilities	<u>1,224,295</u>	<u>405,941</u>	<u>1,630,236</u>
Noncurrent liabilities:			
Compensated absences payable	96,622	35,547	132,169
Customers deposits payable	-	452,520	452,520
Long term debt payable	4,555,000	2,340,000	6,895,000
Total noncurrent liabilities	<u>4,651,622</u>	<u>2,828,067</u>	<u>7,479,689</u>
Total liabilities	<u>5,875,917</u>	<u>3,234,008</u>	<u>9,109,925</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	5,672,671	10,219,308	15,891,979
Restricted for debt service	1,196,400	367,935	1,564,335
Unrestricted	2,932,307	1,339,935	4,272,242
Total net assets	<u>\$ 9,801,378</u>	<u>\$ 11,927,178</u>	<u>\$ 21,728,556</u>

The accompanying notes are an integral part of the basic financial statements.



CITY OF VILLE PLATTE, LOUISIANA

Statement of Activities  
For the Year Ended June 30, 2007

	Program Revenues			Net (Expense) Revenues and Changes in Net Assets			
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental activities:</b>							
General government	\$ 1,346,283	\$ 398,389	\$ 146,486	\$ -	\$ (801,408)	\$ -	\$ (801,408)
Public safety:							
Police	1,369,337	85,308	60,827	7,647	(1,215,555)	-	(1,215,555)
Fire	690,171	-	193,606	1,000	(495,565)	-	(495,565)
Streets	1,019,943	-	20,653	33,700	(965,590)	-	(965,590)
Culture and recreation	321,409	-	22,403	6,400	(292,606)	-	(292,606)
Urban housing and redevelopment	425,725	-	432,837	-	7,112	-	7,112
Interest on long-term debt	405,992	-	-	-	(405,992)	-	(405,992)
Total governmental activities	5,578,860	483,697	876,812	48,747	(4,169,604)	-	(4,169,604)
<b>Business-type activities:</b>							
Gas	2,334,325	2,488,486	-	-	-	154,161	154,161
Water	1,132,963	1,021,397	-	-	-	(111,566)	(111,566)
Sewer	750,722	790,685	-	-	-	39,963	39,963
Total business-type activities	4,218,010	4,300,568	-	-	-	82,558	82,558
Total	\$ 9,796,870	\$ 4,784,265	\$ 876,812	\$ 48,747	(4,169,604)	82,558	(4,087,046)
<b>General revenues:</b>							
<b>Taxes -</b>							
Property taxes, levied for general purposes					806,219	-	806,219
Sales and use taxes, levied for general purposes					2,374,999	-	2,374,999
Payment in lieu of taxes					423,325	-	423,325
Franchise and chain store taxes					439,986	-	439,986
Grants and contributions not restricted to specific programs -							
State sources					23,436	-	23,436
Interest and investment earnings					73,163	9,965	83,128
Miscellaneous					525,047	-	525,047
Transfers					217,000	(217,000)	-
Total general revenues and transfers					4,883,175	(207,035)	4,676,140
Change in net assets					713,571	(124,477)	589,094
Net assets - July 1, 2006					9,087,807	12,051,655	21,139,462
Net assets - June 30, 2007					\$ 9,801,378	\$ 11,927,178	\$ 21,728,556

The accompanying notes are an integral part of the basic financial statements.

**FUND FINANCIAL STATEMENTS (FFS)**

## **MAJOR FUND DESCRIPTIONS**

### **General Fund**

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

### **Special Revenue Funds**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

#### **1975 Sales Tax Fund -**

To account for the receipt and use of proceeds of the City's 1975 one percent sales and use tax. These taxes are dedicated to the following purposes: paying bonds; constructing, acquiring, improving and maintaining police and fire department stations and equipment; garbage and waste disposal facilities; streets, sidewalks, and drainage facilities; sewer and sewerage disposal works; park and pool facilities; and compensating firemen and policemen.

#### **1984 Sales Tax Fund -**

To account for the receipt and use of proceeds of the City's 1984 one percent sales and use tax. These taxes are dedicated to the following purposes: constructing, acquiring, extending, improving, operating and/or maintaining sewers and sewerage disposal works, and at least five percent of such tax annually for constructing, extending, improving and/or maintaining streets and sidewalks; constructing, improving and maintaining public buildings; including the purchase and acquisition of the necessary land, equipment and furnishings for the aforesaid; after making provision for annual debt service on bonds, which may be issued for the aforementioned purposes.

### **Debt Service Fund**

Debt service funds are used to accumulate resources to be used to make debt service principal and interest payments on general obligation long-term debt.

#### **P.I. Sales Tax Bonds Debt Service Fund**

To accumulate monies for payment of the \$3,500,000 Public Improvement Sales Tax Bonds, Series ST-2001, the \$2,380,000 Public Improvement Sales Tax Refunding Bonds Series ST-2003, and the \$2,485,000 Public Improvement Sales Tax Refunding Bonds Series ST-2007. Debt service is financed by the collection of the 1984 one percent sales tax.

### **Enterprise Fund**

#### **Utility Fund -**

To account for the provision of gas, water, and sewerage services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

CITY OF VILLE PLATTE, LOUISIANA

Balance Sheet  
Governmental Funds  
June 30, 2007

ASSETS

	General Fund	1975 Sales Tax Special Revenue	1984 Sales Tax Special Revenue	P. I. Sales Tax Bonds Debt Service Fund	Other Governmental Funds	Totals
Cash	\$ 241,950	\$ 129,128	\$ -	\$ -	\$ 27,020	\$ 398,098
Interest-bearing deposits	1,197,044	52,971	1,407,607	1,221,405	418,045	4,297,072
Receivables:						
Taxes	2,021	-	-	-	-	2,021
Accrued interest	743	794	1,958	-	121	3,616
Other	112,580	-	-	3,410	-	115,990
Due from other funds	263,508	-	170,000	-	-	433,508
Due from other governmental units	109,036	-	-	-	8,817	117,853
Prepaid items	13,822	-	-	-	1,152	14,974
Total assets	<u>\$1,940,704</u>	<u>\$182,893</u>	<u>\$1,579,565</u>	<u>\$1,224,815</u>	<u>\$455,155</u>	<u>\$5,383,132</u>

LIABILITIES AND FUND BALANCES

Liabilities:						
Accounts payable	\$ 102,956	\$ 70	\$ 70	\$ -	\$ 5,336	\$ 108,432
Contracts payable	-	-	-	-	2,200	2,200
Accrued liabilities	132,782	-	-	-	670	133,452
Due to other funds	407,583	-	234,000	-	-	641,583
Total liabilities	<u>643,321</u>	<u>70</u>	<u>234,070</u>	<u>-</u>	<u>8,206</u>	<u>885,667</u>
Fund balances:						
Reserved for prepaid items	13,822	-	-	-	1,152	14,974
Reserved for debt service	-	-	-	1,224,815	43,721	1,268,536
Reserved for housing purposes	-	-	-	-	122,874	122,874
Unreserved, designated for subsequent years' expenditures	-	-	-	-	269,080	269,080
Unreserved, undesignated	1,283,561	182,823	1,345,495	-	10,122	2,822,001
Total fund balances	<u>1,297,383</u>	<u>182,823</u>	<u>1,345,495</u>	<u>1,224,815</u>	<u>446,949</u>	<u>4,497,465</u>
Total liabilities and fund balances	<u>\$1,940,704</u>	<u>\$182,893</u>	<u>\$1,579,565</u>	<u>\$1,224,815</u>	<u>\$455,155</u>	<u>\$5,383,132</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF VILLE PLATTE, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Assets  
June 30, 2007

Total fund balances for governmental funds at June 30, 2007		\$ 4,497,465
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land and construction in progress	\$ 909,615	
Buildings, net of \$1,571,405 accumulated depreciation	4,835,570	
Infrastructure, net of \$967,209 accumulated depreciation	4,051,867	
Equipment, furniture, and fixtures net of \$883,556 accumulated depreciation	677,802	
Improvements other than buildings, net of \$69,892 accumulated depreciation	<u>252,817</u>	10,727,671
Elimination of interfund assets and liabilities		
Due from other funds	433,508	
Due to other funds	<u>(433,508)</u>	-
Long-term liabilities at June 20, 2007:		
Bonds payable	(5,255,000)	
Compensated absences	(96,622)	
Accrued interest payable	<u>(72,136)</u>	<u>(5,423,758)</u>
Total net assets of governmental activities at June 30, 2007		<u>\$ 9,801,378</u>

The accompanying notes are an integral part of the basic financial statements.

**CITY OF VILLE PLATTE, LOUISIANA**

**Statement of Revenues, Expenditures, and Changes in Fund Balances-  
Governmental Funds**

**For the Year Ended June 30, 2007**

	1975	1984	P. I. Sales	Other	Totals
	General	Sales Tax	Tax Bonds	Governmental	
	Fund	Special	Debt Service	Funds	
		Revenue	Fund		
<b>Revenues:</b>					
Taxes	\$1,669,530	\$1,187,500	\$ -	\$ -	\$4,044,529
Licenses and permits	398,389	-	-	-	398,389
Intergovernmental	441,061	-	-	507,935	948,996
Fines and forfeits	-	-	-	73,308	73,308
Marshall fees	-	-	-	12,000	12,000
Miscellaneous	555,985	2,556	10,348	9,302	598,210
Total revenues	3,064,965	1,190,056	10,348	602,545	6,075,432
<b>Expenditures:</b>					
Current -					
General government	889,105	34,043	-	311,781	1,266,569
Public safety:					
Police	1,235,318	-	-	-	1,235,318
Fire	658,477	-	-	-	658,477
Streets and drainage	700,373	-	-	50,403	750,776
Culture and recreation	279,001	-	-	-	279,001
Urban development and housing	-	-	-	425,725	425,725
Capital outlay	314,053	-	-	342,376	656,429
Debt service -					
Principal retirement	90,000	-	575,000	-	665,000
Interest and fiscal charges	54,972	-	253,850	-	308,822
Total expenditures	4,221,299	34,043	828,850	1,130,285	6,246,117
Excess (deficiency) of revenues over expenditures	(1,156,334)	1,156,013	(818,502)	(527,740)	(170,685)
<b>Other financing sources (uses):</b>					
Proceeds from certificates of indebtedness					
Proceeds from refunding bonds	200,000	-	-	-	200,000
Payment to refund debt	-	-	2,485,000	-	2,485,000
Transfers in	-	-	(2,425,111)	-	(2,425,111)
Transfers out	1,364,000	-	773,636	226,074	2,363,710
Total other financing sources (uses)	(19,800)	(1,274,500)	-	(53,500)	(2,146,710)
Net changes in fund balances	1,544,200	(1,274,500)	833,525	172,574	476,889
Fund balances, beginning	387,866	(118,487)	15,023	(355,166)	306,204
Fund balances, ending	909,517	301,310	1,209,792	802,115	4,191,261
	\$1,297,383	\$ 182,823	\$ 1,224,815	\$ 446,949	\$4,497,465

The accompanying notes are an integral part of the basic financial statements.

CITY OF VILLE PLATTE, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2007

Total net changes in fund balances at June 30, 2007 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 306,204
Add: Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	656,429
Less: Depreciation expense for the year ended June 30, 2007	(498,727)
Current year disposition of capital assets net of accumulated depreciation	(46,318)
Excess of compensated absences earned over compensated absences used	(11,958)
Less: Bond proceeds and other long term debt	(2,685,000)
Add: Bond principal retirement	2,980,000
Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	<u>12,941</u>
Total changes in net assets at June 30, 2007 per Statement of Activities	<u>\$ 713,571</u>

The accompanying notes are an integral part of the basic financial statements.

# CITY OF VILLE PLATTE, LOUISIANA

## Statement of Net Assets Proprietary Fund - Enterprise Fund June 30, 2007

### ASSETS

Current assets:	
Cash	\$ 586,658
Interest-bearing deposits	140,606
Receivables:	
Accounts, net of allowance for bad debt	369,693
Unbilled utility receivables	157,927
Accrued interest receivable	1,745
Due from other funds	406,667
Prepaid items	13,822
Inventory - materials and supplies, at cost	15,263
Total current assets	<u>1,692,381</u>
Noncurrent assets:	
Restricted assets -	
Cash	193,126
Interest-bearing deposits	1,080,403
Capital assets, net of accumulated depreciation	12,559,308
Unamortized bond issuance costs	42,635
Total noncurrent assets	<u>13,875,472</u>
Total assets	<u>15,567,853</u>

### LIABILITIES

Current liabilities:	
Accounts payable	64,139
Accrued liabilities	99,780
Due to other funds	198,592
Payable from restricted assets -	
Revenue bonds	430,000
Accrued interest payable	20,097
Total current liabilities	<u>812,608</u>
Noncurrent liabilities:	
Compensated absences payable	35,547
Customers' deposits	452,520
Revenue bonds payable	2,340,000
Total noncurrent liabilities	<u>2,828,067</u>
Total liabilities	<u>3,640,675</u>

### NET ASSETS

Invested in capital assets, net of related debt	10,219,308
Restricted for debt service	367,935
Unrestricted	1,339,935
Total net assets	<u>\$ 11,927,178</u>

The accompanying notes are an integral part of the basic financial statements.



CITY OF VILLE PLATTE, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Assets  
Proprietary Fund - Enterprise Fund  
For the Year Ended June 30, 2007

Operating revenues:	
Charges for services	\$ 4,143,791
Connection and inspection fees	50,485
Miscellaneous	<u>105,183</u>
Total operating revenues	<u>4,299,459</u>
Operating expenses:	
Gas department expenses	2,177,533
Water department expenses	798,688
Sewerage department expenses	462,654
Depreciation expense	<u>644,045</u>
Total operating expenses	<u>4,082,920</u>
Operating income	<u>216,539</u>
Nonoperating revenues (expenses):	
Interest income	9,965
Interest expense	(131,164)
Bad debt recovery	1,109
Paying agent's fees	(625)
Amortization of bond issuance costs	<u>(3,301)</u>
Total nonoperating revenues (expenses)	<u>(124,016)</u>
Income before transfers	<u>92,523</u>
Transfers in (out):	
Transfers in	143,500
Transfers out	<u>(360,500)</u>
Total transfers in (out)	<u>(217,000)</u>
Change in net assets	(124,477)
Net assets, beginning	<u>12,051,655</u>
Net assets, ending	<u>\$ 11,927,178</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF VILLE PLATTE, LOUISIANA

Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2007

Cash flows from operating activities:	
Receipts from customers	\$ 4,172,618
Payments to suppliers	(2,762,079)
Payments to employees	(604,521)
Other receipts	<u>105,183</u>
Net cash provided by operating activities	<u>911,201</u>
Cash flows from noncapital financing activities:	
Cash received from other funds	28,592
Transfers from other funds	143,500
Transfers to other funds	<u>(360,500)</u>
Net cash used by noncapital financing activities	<u>(188,408)</u>
Cash flows from capital and related financing activities:	
Principal paid on revenue bonds payable	(415,000)
Interest and fiscal charges paid on revenue bonds and notes payable	(133,905)
Bad debt recoveries	1,109
Proceeds from meter deposits	74,489
Refund of meter deposits	(72,705)
Acquisition of property, plant and equipment	<u>(161,589)</u>
Net cash used by capital and related financing activities	<u>(707,601)</u>
Cash flows from investing activities:	
Interest on investments	<u>9,559</u>
Net increase in cash and cash equivalents	24,751
Cash and cash equivalents, beginning of period	<u>1,976,042</u>
Cash and cash equivalents, end of period	<u>\$ 2,000,793</u>

(continued)

**CITY OF VILLE PLATTE, LOUISIANA**

**Statement of Cash Flows  
Proprietary Funds (continued)  
For the Year Ended June 30, 2007**

**Reconciliation of operating income to net cash provided by  
operating activities:**

Operating income	\$ 216,539
Adjustments to reconcile operating income to net cash used/provided by operating activities:	
Depreciation	644,045
Changes in current assets and liabilities:	
Increase in accounts receivable	(28,372)
Increase in provision for uncollectible accounts	6,714
Decrease in unbilled utility receivables	11,809
Decrease in inventory	10,987
Decrease in prepaid items	7,441
Increase in accounts payable	7,677
Increase in accrued liabilities	25,792
Increase in compensated absences payable	<u>8,569</u>
Net cash provided by operating activities	<u>\$ 911,201</u>

**Reconciliation of cash and cash equivalents per statement  
of cash flows to the balance sheet:**

Cash and cash equivalents, beginning of period -	
Cash - unrestricted	\$ 591,927
Interest-bearing deposits - unrestricted	117,829
Cash - restricted	168,565
Interest-bearing deposits - restricted	<u>1,097,721</u>
Total cash and cash equivalents	<u>1,976,042</u>
Cash and cash equivalents, end of period -	
Cash - unrestricted	586,658
Interest-bearing deposits - unrestricted	140,606
Cash - restricted	193,126
Interest-bearing deposits - restricted	<u>1,080,403</u>
Total cash and cash equivalents	<u>2,000,793</u>
Net increase	<u>\$ 24,751</u>

The accompanying notes are an integral part of the basic financial statements.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements

#### (1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of Ville Platte (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

##### A. Financial Reporting Entity

The City was incorporated under the provisions of the Lawrason Act. The City operates under a Mayor-Board of Aldermen form of government. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. These financial statements report only the City of Ville Platte, the primary government and do not include two component units identified as follows:

##### City Marshal -

The City Marshal is controlled by the City Marshal, who is an independently elected official. The City Marshal is included as part of the operations of the City Court System. The City Court System is fiscally dependent on the City of Ville Platte for office space and courtrooms.

##### City Court-

The City Court is controlled by the City Court Judge who is an independently elected official. The City Court is included as part of the operations of the City Court System. The City Court System is fiscally dependent on the City of Ville Platte for office space and courtrooms and payment of salaries and other operating expenditures.

Complete financial statements for the component units may be obtained at 306 W. Main Street, Ville Platte, LA 70586. These primary government financial statements of the City of Ville Platte do not include the financial data of the component units described above. This component unit financial data is necessary for reporting in conformity with generally accepted accounting principles.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### B. Basis of Presentation

##### Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the City of Ville Platte, the primary government, as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

##### Fund Financial Statements

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Fund financial statements report detailed information about the City.

The various funds of the City are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

The major funds of the City are described below:

#### Governmental Funds -

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

The 1975 Sales Tax Special Revenue Fund accounts for the proceeds of a one percent sales and use tax that is legally restricted to expenditures for specific purposes.

The 1984 Sales Tax Special Revenue Fund accounts for the proceeds of a one percent sales and use tax that is legally restricted to expenditures for specific purposes.

The P. I. Sales Tax Bonds Debt Service Fund accounts for the accumulation of monies for payment of the \$3,500,000 Series 2001 Public Improvement Sales Tax Bonds, the \$2,380,000 Series 2003 Public Improvement Sales Tax Refunding Bonds, and the \$2,485,000 Series 2007 Sales and Use Tax Refunding Bonds.

Additionally, the City reports the following fund types:

#### Special revenue funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

#### Debt service funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

#### Capital projects funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

#### Proprietary Funds -

Proprietary funds are used to account for ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. The City's proprietary fund type is an enterprise fund.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City applies all applicable FASB pronouncements issued after November 30, 1989 in accounting and reporting for its enterprise fund. The City's enterprise fund is the Utility Fund.

#### C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

##### Measurement Focus

On the government-wide statement of net assets and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Basis of Accounting

In the government-wide statement of net assets and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

#### Program revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the City's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the City's general revenues.

#### Allocation of indirect expenses

The City reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.



## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### D. Assets, Liabilities and Equity

##### Cash and interest-bearing deposits

For purposes of the Statement of Net Assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the City. For the purpose of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less when purchased.

##### Investments

Under state law the City may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The City may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

##### Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Assets.

##### Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem and sales and use taxes. Business-type activities report customer's utility service receivables as their major receivables. Uncollectible ad valorem taxes or utility service receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At June 30, 2007, an allowance for ad valorem taxes was considered unnecessary due to immateriality. The allowance for uncollectibles for customers' utility receivables was \$59,908 at June 30, 2007. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month, are recorded at year-end.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2007, are recorded as prepaid items.

#### Inventories

Inventory of the Utility Fund consists of supplies and parts that are valued at lower of cost (first-in, first-out) or market.

#### Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to July 1, 2002, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Equipment	5 years
Utility system and improvements	20-40 years
Infrastructure	20 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

#### Compensated Absences

Municipal employees hired before June 30, 2000, earn sick leave at a rate of fourteen hours per month. Municipal employees hired after June 30, 2000 earn sick leave at a rate of 2.77 hours per pay period. Vacation leave is earned as follows:

# CITY OF VILLE PLATTE, LOUISIANA

## Notes to Basic Financial Statements (Continued)

	Employees of		
	Other		
	<u>Departments</u>	<u>Police</u>	<u>Fire</u>
1 - 4 years service	10 days	10 days	5 days
5 - 9 years service	15 days	15 days	7 days
10 or more years service	20 days	20 days	10 days

Sick leave accumulates and is available for employees when needed, however, it does not vest nor is it payable at termination of employment. Vacation leave is earned over a calendar year basis. Municipal employees may not carry over or accumulate more than thirty days of vacation leave from one employment anniversary date to another. Police and Fire may not carry over vacation leave.

For fund financial statements, vested or accumulated sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a current fund liability of the governmental fund that will pay it. In the government-wide statements, amounts of vested or accumulated sick leave that are not expected to be liquidated with expendable available financial resources are recorded as long-term debt.

### Restricted Assets

Restricted assets include cash and interest-bearing deposits of the proprietary fund that are legally restricted as to their use. The restricted assets are related to the revenue bond accounts and utility meter deposits.

### Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of the revenue bonds payable and utility meter deposits payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

#### E. Revenues, Expenditures, and Expenses

##### Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

##### Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character:

Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

#### F. Revenue Restrictions

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales tax	See Note 3
Gas, water and sewer revenue	Debt service and utility operations

The City uses unrestricted resources only when restricted resources are fully depleted.

#### G. Budgets and Budgetary Accounting

A budget for the General Fund and Special Revenue Funds was prepared on a basis consistent with generally accepted accounting principals (GAAP). Budgeted amounts are as originally prepared or amended by the City. All budgetary appropriations lapse at the end of each fiscal year.

#### H. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

#### I. Report Classification

Certain previously reported amounts for the year ended June 30, 2006 have been reclassified to conform to the June 30, 2007 classifications.

#### (2) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City in September or October and are actually billed to taxpayers in December. Billed taxes become delinquent on January 1 of the following year. The City bills and collects its own property taxes. Property tax revenues are recognized when levied to the extent that they result in current receivables.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

For the year ended June 30, 2007, taxes of 21.01 mills were levied on property with assessed valuations totaling \$38,610,260 and were dedicated as follows:

General corporate purposes	7.00 mills
Street and Drainage maintenance	10.01 mills
Police and Fire	<u>4.00</u> mills
Total	<u>21.01</u> mills

Total taxes levied were \$811,202. Taxes receivable at June 30, 2007 were \$2,021.

#### (3) Dedication of Proceeds and Flow of Funds - 1 Percent Sales and Use Tax

A one percent sales and use tax levied by the City in 1975 (2007 collections \$1,187,500) is dedicated to the following purposes:

Paying bonds; constructing, acquiring, improving and maintaining police and fire department stations and equipment; water disposal facilities; streets, sidewalks, and drainage facilities; sewer and sewerage disposal works; park and pool facilities; and compensating firemen and policemen.

A one percent sales and use tax levied by the City beginning in 1984 (2007 collections \$1,187,499) is dedicated to these purposes:

Paying debt service on outstanding bonds; constructing, acquiring, extending, improving, operating and maintaining sewers and sewerage disposal works; with at least 5 percent of the tax proceeds annually for constructing, improving and maintaining city streets and sidewalks; constructing, improving and maintaining public buildings; and acquiring the necessary land, equipment and furnishings for the aforesaid.

#### (4) Cash and Interest-Bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2007, the City has cash and interest-bearing deposits (book balances) totaling \$6,699,492 as follows:

Demand deposits	\$ 1,181,411
Money market and savings accounts	4,147,161
Time deposits	<u>1,370,920</u>
Total	<u>\$ 6,699,492</u>

# CITY OF VILLE PLATTE, LOUISIANA

## Notes to Basic Financial Statements (Continued)

These deposits are stated at cost, which approximates market. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2007, are as follows:

Bank balances	<u>\$ 6,719,316</u>
Federal deposit insurance	800,000
Pledged securities	<u>5,919,316</u>
Total FDIC insurance and pledged securities	<u>\$ 6,719,316</u>

As of June 30, 2007, the City's total bank balances were fully insured and collateralized with securities held in the name of the City of Ville Platte by the pledging financial institution's agent, and therefore, not exposed to custodial credit risk.

### (5) Receivables

Receivables at June 30, 2007 of \$650,992 consist of the following:

	<u>General</u>	<u>1975 Sales Tax</u>	<u>1984 Sales Tax</u>	<u>Sales Tax Debt Service</u>	<u>Non- Major</u>	<u>Utility</u>	<u>Total</u>
Accounts	\$ -	\$ -	\$ -	\$ -	\$-	\$369,693	\$369,693
Unbilled utility	-	-	-	-	-	157,927	157,927
Ad valorem taxes	2,021	-	-	-	-	-	2,021
Franchise tax	100,110	-	-	-	-	-	100,110
Interest	743	794	1,958	-	121	1,745	5,361
Other	<u>12,470</u>	<u>-</u>	<u>-</u>	<u>3,410</u>	<u>-</u>	<u>-</u>	<u>15,880</u>
Totals	<u>\$ 115,344</u>	<u>\$ 794</u>	<u>\$ 1,958</u>	<u>\$ 3,410</u>	<u>\$ 121</u>	<u>\$ 529,365</u>	<u>\$ 650,992</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(6) Due from Other Governmental Units

Amounts due from other governmental units consisted of the following at June 30, 2007:

State of Louisiana for fire insurance rebate	\$ 32,296
Evangeline Council on Aging	32,214
Evangeline Parish Ward One Fire District No. 2 for fire protection services	13,475
State of Louisiana DOTD for highway maintenance	6,884
Office of Youth Development for youth grant	14,835
State of Louisiana Division of Administration for LCDBG	2,200
United States Department of Agriculture for the Summer Food Service Program	1,682
Ville Platte Housing Authority for in-lieu property taxes	7,650
Ville Platte City Court for fines & forfeits and Marshall fees.	6,617
	<u>\$ 117,853</u>

(7) Capital Assets

Capital asset activity for the year ended June 30, 2007 was as follows:

	Balance 07/01/06	Additions	Deletions	Balance 06/30/07
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 909,615	\$ -	\$ -	\$ 909,615
Construction in progress	3,051,815	232,354	3,284,169	-
Other capital assets:				
Buildings	3,215,322	3,204,875	13,222	6,406,975
Infrastructure	4,830,552	188,524	-	5,019,076
Equipment, furniture and fixtures	1,393,176	300,962	132,780	1,561,358
Improvements other than buildings	318,309	4,400	-	322,709
Totals	<u>13,718,789</u>	<u>3,931,115</u>	<u>3,430,171</u>	<u>14,219,733</u>
Less accumulated depreciation				
Buildings	1,419,498	162,436	10,528	1,571,406
Infrastructure	772,818	194,391	-	967,209
Equipment, furniture and fixtures	859,530	122,665	98,640	883,555
Improvements other than buildings	50,657	19,235	-	69,892
Total accumulated depreciation	<u>3,102,503</u>	<u>498,727</u>	<u>109,168</u>	<u>3,492,062</u>
Governmental activities, capital assets, net	<u>\$ 10,616,286</u>	<u>\$ 3,432,388</u>	<u>\$ 3,321,003</u>	<u>\$ 10,727,671</u>



CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

	Balance 07/01/06	Additions	Deletions	Balance 06/30/07
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 101,475	\$ -	\$ -	\$ 101,475
Construction in progress	-	53,500	-	53,500
Other capital assets:				
Gas system	3,944,698	-	17,830	3,926,868
Water system	7,796,894	101,382	3,740	7,894,536
Sewer system	10,931,822	-	-	10,931,822
Machinery and equipment	236,358	14,324	74,320	176,362
Totals	<u>23,011,247</u>	<u>169,206</u>	<u>95,890</u>	<u>23,084,563</u>
Less accumulated depreciation				
Gas system	2,944,503	69,691	17,830	2,996,364
Water system	3,351,479	295,110	1,754	3,644,835
Sewer system	3,522,882	260,543	-	3,783,425
Machinery and equipment	150,619	18,702	68,690	100,631
Total accumulated depreciation	<u>9,969,483</u>	<u>644,046</u>	<u>88,274</u>	<u>10,525,255</u>
Business-type activities, capital assets, net	<u>\$ 13,041,764</u>	<u>\$ (474,840)</u>	<u>\$ 7,616</u>	<u>\$ 12,559,308</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 77,356
Police	126,565
Fire	31,228
Streets	223,829
Culture and recreation	39,749
Total depreciation expense	<u>\$ 498,727</u>

Depreciation expense was charged to business-type activities as follows:

Gas	\$ 78,441
Water	301,853
Sewer	263,752
Total depreciation expense	<u>\$644,046</u>

Construction in progress of \$53,500 in the business-type activities consists of grant administration and engineering fees relative to the LCDBG sewer improvements project.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Restricted Assets - Proprietary Fund Type (Enterprise Utility Fund)

Restricted assets consisted of the following at June 30, 2007:

Bond and interest sinking fund	\$ 197,665
Bond reserve fund	409,282
Renewal and replacement fund	211,084
Customers' deposits	452,521
Water construction fund	2,977
	<u>\$1,273,529</u>

(9) Accounts, Salaries, and Other Payables

The accounts, salaries, and other payables consisted of the following at June 30, 2007:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Accounts	\$ 108,432	\$ 64,139	\$172,571
Contracts	2,200	-	2,200
Other liabilities	<u>133,452</u>	<u>99,780</u>	<u>233,232</u>
Totals	<u>\$ 244,084</u>	<u>\$ 163,919</u>	<u>\$408,003</u>

(10) Changes in Long-Term Debt

The following is a summary of bonds, notes, certificates of indebtedness and compensated absences transactions of the City for the year ended June 30, 2007:

	<u>Balance 7/1/2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2007</u>	<u>Amount due in one year</u>
Business type activities:					
Revenue bonds	\$3,185,000	\$ -	\$ (415,000)	\$2,770,000	\$ 430,000
Governmental activities:					
General obligation	5,550,000	2,685,000	(2,980,000)	5,255,000	700,000
Compensated absences	<u>84,664</u>	<u>47,505</u>	<u>-</u>	<u>132,169</u>	<u>-</u>
	<u>\$8,819,664</u>	<u>\$2,732,505</u>	<u>\$ (3,395,000)</u>	<u>\$8,157,169</u>	<u>\$1,130,000</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Bonds payable at June 30, 2007 are comprised of the following individual issues:

General obligation bonds:

\$2,485,000 Sales and Use Tax Revenue Refunding Bonds, Series 2007, due in annual installments of \$15,000 - \$285,000 through March 1, 2021; interest at 3.65 - 4.30 percent, secured by sales tax revenues	\$ 2,435,000
\$200,000 Certificates of Indebtedness, Series 2006, due in annual installments of \$40,000 through October 1, 2011; interest at 4.15 percent, secured by excess annual revenues of the general fund	200,000
\$3,500,000 Public Improvement Sales Tax Bonds, Series ST-2001, due in annual installments of \$125,000 - \$170,000 through March 1, 2011; interest at 5.00 - 5.50 percent, secured by sales tax revenues	585,000
\$2,380,000 Public Improvement Sales Tax Refunding Bonds, Series ST-2003, due in annual installments of \$425,000 - \$440,000 through March 1, 2009; interest at 3.60 - 4.00 percent, secured by sales tax revenues	865,000
\$1,500,000 Street and Drainage Bonds, Series 2003, due in annual installments of \$95,000 - \$145,000 through March 1, 2017; interest at 4.05 percent, secured by ad valorem taxes transferred from the General Fund	<u>1,170,000</u>
	<u>\$ 5,255,000</u>

Revenue bonds:

\$2,350,000 Utilities Revenue Refunding Bonds, Series 2004 due in annual installments of \$70,000 - \$420,000 through May 1, 2014; interest at 3.05 - 4.80 percent; secured by Utility Fund revenues	\$ 1,200,000
\$1,650,000 Utilities Revenue Bonds Series 2003, due in annual installments of \$20,000 - \$285,000 through May 1, 2015; interest at 3.25 - 5.20 percent; secured by Utility Fund revenues	<u>1,570,000</u>
	<u>\$ 2,770,000</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

The bonds are due as follows:

Year ending June 30,	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal payments</u>	<u>Interest payments</u>	<u>Principal payments</u>	<u>Interest payments</u>
2008	700,000	217,651	430,000	120,583
2009	725,000	189,421	445,000	105,922
2010	315,000	158,406	295,000	89,173
2011	330,000	144,134	305,000	76,767
2012	350,000	129,151	315,000	63,322
2013-2017	1,765,000	446,379	980,000	96,165
2018-2021	<u>1,070,000</u>	<u>115,868</u>	<u>-</u>	<u>-</u>
Total	<u>\$5,255,000</u>	<u>\$1,401,010</u>	<u>\$2,770,000</u>	<u>\$551,932</u>

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. Government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the City's Enterprise Fund's balance sheet and the governmental activities column of the statement of net assets. As of June 30, 2007, the amount of defeased utility revenue debt outstanding but removed from the Enterprise Fund's balance sheet amounted to \$3,205,000. Additionally, as of June 30, 2007, there remained a balance of \$1,470,000 of defeased sales tax bonds, which were removed from the statement of net assets.

(11) Flow of Funds: Restrictions on Use - Utilities Revenues

Under the terms of the \$2,350,000 Utilities Revenue Refunding Bonds Series 2004 and \$1,650,000 Utilities Revenue Bonds Series 2003 bond indentures dated May 1, 2004 and May 1, 2003, all income and revenues of every nature derived from the operation of the system are pledged and dedicated to the retirement of said bonds.

Bond and Interest Sinking Fund

The City is required to set aside into a Utilities Revenue Bond Sinking Fund each month a sum equal to 1/6 of the interest falling due on the next interest payment date plus 1/12 of the principal falling due on the next principal payment date. Funds deposited in this account are available only for the retirement of maturing bonds and interest.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Reserve Fund

The Utilities Revenue Bond Reserve Fund is maintained solely for the purpose of paying the principal of and the interest on bonds payable from the sinking fund as to which there would otherwise be default. The fund is required to be funded in an amount equal to the reserve fund requirement (\$400,000 at June 30, 2007).

#### Capital Additions and Contingencies Fund

The Utilities System Capital Additions and Contingencies Fund (Renewal and Replacement Fund) was established to care for extensions, additions, improvements, renewals, and replacements necessary to properly operate the system and to pay the principal of and the interest on the bonds, including any additional pari passu bonds issued hereafter in the manner provided by the bond resolution, for the payment of which there is not sufficient money in the sinking or reserve funds.

The maximum required balance of \$200,000 was deposited when the bonds were sold. The money in the fund shall never be used for the making of such extensions, additions, improvements, renewals and replacements if such use of said money will leave less than the sum of \$50,000. In the event that the City utilizes any monies in the fund so that the balance falls below \$200,000, a monthly deposit of 5 percent of the gross revenues of the system (excluding revenues derived from fuel adjustments) must be made until there is again on deposit the sum of \$200,000.

#### Utility Rates

It is further understood that the City shall adopt a rate ordinance which shall provide revenue in each year, after paying all reasonable and necessary expenses of operating and maintaining the utility system in such year, at least equal to 135 percent of the largest amount of principal and interest maturing on the bonds in any future fiscal year. Said rate ordinance shall also provide for 10 percent penalty charge for non-payment of bills within ten days after the due date and discontinuance of service upon non-payment of bills within thirty days after the due date.

#### (12) Current Refunding

On February 22, 2007, the City of Ville Platte issued \$2,485,000 of Sales and Use Tax Refunding Bonds, Series 2007, to refund \$2,315,000 of Public Improvement Sales Tax Bonds, Series 2001. The refunding was undertaken to reduce total future debt service payments. The net proceeds of the bonds were used to purchase U.S. Treasury Securities and deposited into the escrow agent account to provide for future debt service payments on the 2001 Series bonds. As a result, the 2001 series bonds are considered defeased and the liability for those bonds has been removed from the government-wide statement of net assets.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$470,775. The City completed the advance refunding to reduce its total debt service payments by \$93,731 and to obtain an economic gain of \$69,854.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### (13) Employee Retirement

Substantially all employees of the City are members of the following statewide retirement systems: Municipal Employees Retirement System of Louisiana, Municipal Police Employees Retirement System of Louisiana, or Firefighters Retirement System of Louisiana. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

##### A. Municipal Employees Retirement System of Louisiana (System)

Plan Description - The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the municipality are members of Plan A.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 925-4810.

Funding Policy - Under Plan A, members are required by state statute to contribute 9.25% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 16.25% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the City are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City's contributions to the System for the years ending June 30, 2007, 2006, and 2005 were \$152,010, \$141,992, and \$137,358, respectively, equal to the required contributions for each year.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

B. Municipal Police Employees Retirement System of Louisiana (System)

Plan Description - All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3% of their final-average salary for each year of creditable service. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (225) 929-7411.

Funding Policy - Plan members are required by state statute to contribute 7.5% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 16.25% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City's contributions to the System for the years ending June 30, 2007, 2006, and 2005 were \$80,377, \$76,729, and \$88,133, respectively, equal to the required contributions for each year.

C. Firefighters' Retirement System of Louisiana

Plan Description - Membership in the Louisiana Firefighters' Retirement System is mandatory for all full-time firefighters employed by a municipality, parish, or fire protection district that did not enact an ordinance before January 1, 1980, exempting itself from participation in the System. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service or at or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3% of their final-average salary for each year of creditable service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters' Retirement System, Post Office Box 94095, Baton Rouge, Louisiana 70804, or by calling (225) 925-4060.

**Funding Policy** - Plan members are required by state statute to contribute 8.0% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 15.5% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City firefighters began participation in the system effective July 1, 1999. The City's contributions to the System for the years ending June 30, 2007, 2006 and 2005 were \$53,384, \$57,225, and \$60,387, respectively, equal to the required contributions for each year.

#### D. Social Security System

Employees of the City of Ville Platte who are not eligible to participate in any other retirement system are members of the Social Security System. The City and its employees contribute a percentage of each employee's salary to the System (7.65 percent contributed by the City; 7.65 percent contributed by the employee). The City's contributions during the years ending June 30, 2007, 2006, and 2005 amounted to \$49,012, \$36,400 and \$33,082, respectively.

#### (14) Post Employment Benefits

The City provides certain continuing health care insurance benefits for its retired employees. Substantially all of the City's employees become eligible for these benefits if they reach normal retirement age while working for the City. Benefits for retirees are provided through an insurance company whose monthly premiums are paid by the City. The City is reimbursed by the employee for one half of the cost of the monthly premium. For the year ending June 30, 2007 there were three retirees' receiving benefits. The City recognizes the cost of providing these benefits as expenditure when paid during the year and recognizes the revenue when they are due the reimbursement from the employee. The City's total cost of providing these benefits was \$9,537 for the year ended June 30, 2007.

#### (15) Enterprise Fund Contracts

The City purchases its natural gas from Crosstex Gulf Coast Marketing, under a contract commencing June 1, 2004. The contract can be renewed on an annual basis by mutual consent of the parties. The City purchased natural gas during fiscal year ended June 30, 2007 in the amount of \$1,434,791 of which \$77,867 was owed for purchases for the month of June 2007.



# CITY OF VILLE PLATTE, LOUISIANA

## Notes to Basic Financial Statements (Continued)

### (16) Segment Information for the Enterprise Fund

The City of Ville Platte maintains one enterprise fund with three departments which provide gas, water, and sewerage services. Segment information for the year ended June 30, 2007 was as follows:

	<u>Gas Department</u>	<u>Water Department</u>	<u>Sewerage Department</u>	<u>Total Enterprise Fund</u>
Operating revenues	<u>\$ 2,491,372</u>	<u>\$ 1,021,131</u>	<u>\$ 790,485</u>	<u>\$ 4,302,988</u>
Operating expenses:				
Depreciation	78,440	301,853	263,752	644,045
Other	<u>2,159,059</u>	<u>786,352</u>	<u>457,917</u>	<u>3,403,328</u>
Total operating expenses	<u>2,237,499</u>	<u>1,088,205</u>	<u>721,669</u>	<u>4,047,373</u>
Operating income	<u>\$ 253,873</u>	<u>\$ (67,074)</u>	<u>\$ 68,816</u>	<u>\$ 255,615</u>

### (17) Compensation of City Officials

A detail of compensation paid to the Mayor and Board of Aldermen for the year ended June 30, 2007 follows:

#### Mayor:

Bill Jeanmard	\$ 20,220
Phillip A. Lemoine	<u>26,280</u>
	<u>\$ 46,500</u>

#### Aldermen:

Carol Alfred	\$ 8,586
C. J. Dardeau	8,586
Earl Edwards	4,877
Freddie Jack	9,186
Donald Sam	4,263
William B. Jeanmard	4,323
Taranza Arvie	4,263
Michael Perron	<u>8,586</u>
	<u>\$ 52,670</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(18) Interfund Receivables/Payables

A. A summary of interfund receivables and payables at June 30, 2007 follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major governmental funds:		
General Fund	\$ 263,508	\$ 407,583
1984 Sales Tax Special Revenue Fund	<u>170,000</u>	<u>234,000</u>
Total major governmental funds	<u>433,508</u>	<u>641,583</u>
Proprietary fund:		
Enterprise Fund	<u>406,667</u>	<u>198,592</u>
Total	<u>\$ 840,175</u>	<u>\$ 840,175</u>

The amounts due to the General Fund from various other funds are for short-term loans. The amount due to the Enterprise Fund from the General Fund is for reimbursements owed for General Fund expenditures paid by the Enterprise Fund and for budgeted appropriations which were not transferred. The other receivable balances are for short-term loans.

B. Transfers consisted of the following at June 30, 2007:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major governmental funds:		
General Fund	\$ 1,364,000	\$ 19,800
1975 Sales Tax Special Revenue Fund	-	1,274,500
1984 Sales Tax Special Revenue Fund	-	798,910
P. I. Sales Tax Bonds Debt Service Fund	<u>773,636</u>	<u>-</u>
Total major funds	<u>2,137,636</u>	<u>2,093,210</u>
Nonmajor governmental funds:		
City Court Special Revenue Fund	181,000	-
LCDBG	19,800	53,500
Street & Drainage Construction Fund	<u>25,274</u>	<u>-</u>
Total nonmajor governmental funds	<u>226,074</u>	<u>53,500</u>
Total governmental funds	<u>2,363,710</u>	<u>2,146,710</u>
Proprietary funds:		
Enterprise Fund	<u>143,500</u>	<u>360,500</u>
Total	<u>\$ 2,507,210</u>	<u>\$ 2,507,210</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

## CITY OF VILLE PLATTE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

(19) Risk Management

The City is exposed to risks of loss in the areas of health care, general and auto liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

(20) Pending Litigation

At June 30, 2007, the City of Ville Platte was a defendant in several lawsuits. The City's legal counsel has reviewed the claims and lawsuits, in order to evaluate the likelihood of an unfavorable outcome to the City and to arrive at an estimate, if any, of the amount or range of potential loss to the City not covered by insurance. As a result of the review, there are no claims and lawsuits which might result in a liability to the City which are not considered coverable by insurance.

(21) New Accounting Pronouncements

In November 2004, the Governmental Accounting Standards Board (GASB) issued Statement 45 "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions." This statement requires the accrual of postemployment benefits for retired employees. The City is required to implement this standard for the fiscal year ending June 30, 2010. The City has not yet determined the full impact that adoption of GASB Statement 45 will have on the financial statements.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Budgetary Comparison Schedule  
Year Ended June 30, 2007

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,672,590	\$ 1,635,997	\$ 1,669,530	\$ 33,533
Licenses and permits	376,300	369,332	398,389	29,057
Intergovernmental	696,269	408,750	441,061	32,311
Miscellaneous	216,700	559,188	555,985	(3,203)
Total revenues	<u>2,961,859</u>	<u>2,973,267</u>	<u>3,064,965</u>	<u>91,698</u>
Expenditures:				
Current -				
General government	609,533	842,331	889,105	(46,774)
Public safety:				
Police	1,070,765	1,239,572	1,235,318	4,254
Fire	634,900	661,998	658,477	3,521
Streets and drainage	666,981	697,002	700,373	(3,371)
Culture and recreation	290,200	267,464	279,001	(11,537)
Capital outlay	783,000	290,232	314,053	(23,821)
Debt service	141,030	141,030	144,972	(3,942)
Total expenditures	<u>4,196,409</u>	<u>4,139,629</u>	<u>4,221,299</u>	<u>(81,670)</u>
Deficiency of revenues over expenditures	<u>(1,234,550)</u>	<u>(1,166,362)</u>	<u>(1,156,334)</u>	<u>10,028</u>
Other financing sources (uses):				
Proceeds from certificates of indebtedness	198,000	200,000	200,000	-
Transfers in	930,000	1,361,300	1,364,000	2,700
Transfers out	-	-	(19,800)	(19,800)
Total other financing sources (uses)	<u>1,128,000</u>	<u>1,561,300</u>	<u>1,544,200</u>	<u>(17,100)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(106,550)</u>	<u>394,938</u>	<u>387,866</u>	<u>(7,072)</u>
Fund balance, beginning	<u>930,753</u>	<u>909,517</u>	<u>909,517</u>	<u>-</u>
Fund balance, ending	<u>\$ 824,203</u>	<u>\$ 1,304,455</u>	<u>\$ 1,297,383</u>	<u>\$ (7,072)</u>

CITY OF VILLE PLATTE, LOUISIANA  
1975 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
Year Ended June 30, 2007

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,200,000	\$ 1,045,049	\$ 1,187,500	\$ 142,451
Miscellaneous	500	3,025	2,556	(469)
Total revenues	<u>1,200,500</u>	<u>1,048,074</u>	<u>1,190,056</u>	<u>141,982</u>
Expenditures:				
Current -				
General government:				
Professional fees	7,500	9,376	8,227	1,149
Miscellaneous expenses	-	-	2,415	(2,415)
Sales tax collection fees	24,000	20,936	23,401	(2,465)
Total expenditures	<u>31,500</u>	<u>30,312</u>	<u>34,043</u>	<u>(3,731)</u>
Excess of revenues over expenditures	<u>1,169,000</u>	<u>1,017,762</u>	<u>1,156,013</u>	<u>138,251</u>
Other financing uses:				
Transfers to -				
General Fund	(700,000)	(853,800)	(1,026,500)	(172,700)
City Court Fund	(150,000)	(161,600)	(158,000)	3,600
Utility Fund	(250,000)	(90,000)	(90,000)	-
Total other financing uses	<u>(1,100,000)</u>	<u>(1,105,400)</u>	<u>(1,274,500)</u>	<u>(169,100)</u>
Excess (deficiency) of revenues over expenditures and other uses	69,000	(87,638)	(118,487)	(30,849)
Fund balance, beginning	<u>301,310</u>	<u>301,310</u>	<u>301,310</u>	<u>-</u>
Fund balance, ending	<u>\$ 370,310</u>	<u>\$ 213,672</u>	<u>\$ 182,823</u>	<u>\$ (30,849)</u>

CITY OF VILLE PLATTE, LOUISIANA  
1984 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
Year Ended June 30, 2007

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,200,000	\$ 1,045,049	\$ 1,187,499	\$ 142,450
Miscellaneous	15,000	15,793	20,019	4,226
Total revenues	<u>1,215,000</u>	<u>1,060,842</u>	<u>1,207,518</u>	<u>146,676</u>
Expenditures:				
Current -				
General government:				
Professional fees	10,000	9,376	8,227	1,149
Miscellaneous expenses	-	-	12	(12)
Sales tax collection fees	24,000	20,936	23,401	(2,465)
Streets & drainage:				
Street repairs & overlay	-	22,273	-	22,273
Total expenditures	<u>34,000</u>	<u>52,585</u>	<u>31,640</u>	<u>20,945</u>
Excess of revenues over expenditures	<u>1,181,000</u>	<u>1,008,257</u>	<u>1,175,878</u>	<u>167,621</u>
Other financing uses:				
Transfers to -				
Capital Projects Fund	-	(54,368)	(25,274)	29,094
P. I. Sales Tax Bonds Debt Service Fund	<u>(724,938)</u>	<u>(772,017)</u>	<u>(773,636)</u>	<u>(1,619)</u>
Total other financing uses	<u>(724,938)</u>	<u>(826,385)</u>	<u>(798,910)</u>	<u>27,475</u>
Excess of revenues over expenditures and other uses	456,062	181,872	376,968	195,096
Fund balance, beginning	<u>968,527</u>	<u>968,527</u>	<u>968,527</u>	-
Fund balance, ending	<u>\$ 1,424,589</u>	<u>\$ 1,150,399</u>	<u>\$ 1,345,495</u>	<u>\$ 195,096</u>

## **OTHER FINANCIAL INFORMATION**



CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Revenues  
Year Ended June 30, 2007

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Taxes:				
Ad valorem	\$ 243,913	\$ 263,091	\$ 268,611	\$ 5,520
Street and drainage maintenance	348,798	387,787	384,116	(3,671)
Police and fire tax	139,379	152,766	153,492	726
PILOT - Housing Authority	12,000	-	7,650	7,650
Franchise - utility companies	470,000	450,479	431,884	(18,595)
Utility Fund - payment in lieu of taxes	452,500	373,772	415,675	41,903
Chain store	6,000	8,102	8,102	-
	<u>1,672,590</u>	<u>1,635,997</u>	<u>1,669,530</u>	<u>33,533</u>
Licenses and permits:				
Occupational licenses	360,000	351,092	379,864	28,772
Building permits	10,000	14,547	15,046	499
Electrical permits	6,000	3,260	3,104	(156)
House moving permits	300	433	375	(58)
	<u>376,300</u>	<u>369,332</u>	<u>398,389</u>	<u>29,057</u>
Intergovernmental:				
State of Louisiana -				
Beer tax	25,000	25,616	23,436	(2,180)
Evangeline Council on Aging	-	114,353	92,953	(21,400)
State grants	417,500	32,588	48,233	15,645
Fire insurance rebate	30,000	30,144	32,296	2,152
Highway maintenance	13,769	18,359	20,653	2,294
Fire salary reimbursement	165,000	162,816	161,310	(1,506)
Federal -				
Grants	-	-	8,647	8,647
Summer food service program	45,000	24,874	53,533	28,659
	<u>696,269</u>	<u>408,750</u>	<u>441,061</u>	<u>32,311</u>
Miscellaneous:				
Rental income -				
Gas department	15,000	15,000	15,000	-
Park and civic center	45,000	37,885	38,754	869
Land rent	30,000	27,867	28,550	683
Rent income other	8,500	2,193	5,656	3,463
Section 8 rent	4,200	4,200	3,850	(350)
City Park receipts	-	2,383	-	(2,383)
Swamp Pop revenues	-	12,329	12,329	-
Acadiana Works revenue	-	160,940	143,938	(17,002)
Interest income	20,000	29,404	30,938	1,534
Sale of capital assets	-	4,635	6,993	2,358
Law enforcement revenue	14,000	8,576	13,090	4,514
Miscellaneous grants	50,000	236,815	244,422	7,607
Other sources	30,000	16,961	12,465	(4,496)
	<u>216,700</u>	<u>559,188</u>	<u>555,985</u>	<u>(3,203)</u>
Total revenues	<u>\$2,961,859</u>	<u>\$2,973,267</u>	<u>\$3,064,965</u>	<u>\$91,698</u>

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures  
Year Ended June 30, 2007

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General government:				
Executive -				
Mayor salary	\$ 39,903	\$ 45,903	\$ 46,500	\$ (597)
Council salaries	56,000	52,671	52,670	1
Retirement	8,100	12,965	8,065	4,900
Medicare taxes	3,500	3,866	3,521	345
Group insurance	20,000	16,426	15,320	1,106
Auto allowances	16,800	21,100	21,100	-
Dues and conventions	5,500	11,224	11,007	217
Miscellaneous	-	103	77	26
Total executive	<u>149,803</u>	<u>164,258</u>	<u>158,260</u>	<u>5,998</u>
Administrative -				
Salaries	163,000	208,811	199,034	9,777
Contract services	31,190	27,359	28,374	(1,015)
Treasurer's pay	3,600	3,600	3,600	-
Utilities	6,300	6,379	5,819	560
Telephone	8,000	8,835	8,003	832
Insurance	15,000	10,092	16,252	(6,160)
Workman's compensation	1,900	2,367	2,582	(215)
Advertising and publicity	10,000	14,161	15,231	(1,070)
Group insurance	30,000	19,068	23,013	(3,945)
Office expense	24,000	32,551	35,665	(3,114)
Professional fees	57,040	48,541	46,171	2,370
Repairs and maintenance	7,500	15,416	19,677	(4,261)
Gas and oil	1,600	1,651	1,761	(110)
Evangeline Council on Aging	-	92,953	92,953	-
Association dues, conventions and travel	5,000	12,104	10,569	1,535
Chamber of Commerce social programs	6,000	6,000	6,000	-
Auto allowances	4,000	5,893	5,860	33
Retirement contributions	20,000	23,869	28,358	(4,489)
Medicare taxes	5,000	4,977	4,643	334
Payroll taxes	350	417	398	19
Uniforms	250	2,329	2,540	(211)
Summer feeding program expense	45,000	51,092	52,111	(1,019)
Grant expenditures	5,000	53,561	93,080	(39,519)
Election expense	-	13,748	14,758	(1,010)
Miscellaneous	<u>10,000</u>	<u>12,299</u>	<u>14,393</u>	<u>(2,094)</u>
Total administrative	<u>459,730</u>	<u>678,073</u>	<u>730,845</u>	<u>(52,772)</u>
Total general government	<u>609,533</u>	<u>842,331</u>	<u>889,105</u>	<u>(46,774)</u>

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures (continued)  
Year Ended June 30, 2007

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Public safety:				
Police department -				
Salaries	590,000	707,211	686,799	20,412
Gas and oil	48,000	52,716	53,348	(632)
Auto repairs	25,600	21,106	22,631	(1,525)
Equipment and building repairs and maintenance	7,500	12,065	11,004	1,061
Feeding prisoners	25,000	21,202	21,284	(82)
Supplies	20,000	36,793	37,631	(838)
Telephone	10,000	7,976	8,685	(709)
Insurance	53,000	47,699	50,933	(3,234)
Workman's compensation	40,000	46,301	49,973	(3,672)
Advertising and publicity	1,500	1,023	1,296	(273)
Uniforms and storage	10,000	20,089	20,142	(53)
Retirement contributions	87,000	77,991	78,394	(403)
Group insurance	80,000	70,846	75,248	(4,402)
Professional fees	3,000	6,323	4,892	1,431
Association dues, conventions and travel	3,500	7,078	6,825	253
Officer training program	5,000	3,687	5,498	(1,811)
Utilities	15,000	27,559	27,716	(157)
Medicare taxes	9,200	15,881	16,076	(195)
Payroll taxes	1,265	1,452	1,378	74
Dare, K-9 & DWI expense	1,200	5,825	7,363	(1,538)
Medical expense	20,000	26,099	25,693	406
Miscellaneous	15,000	22,650	22,509	141
Total police department	<u>1,070,765</u>	<u>1,239,572</u>	<u>1,235,318</u>	<u>4,254</u>
Fire department -				
Salaries	365,000	390,831	373,199	17,632
Auto allowance	3,600	3,850	3,850	-
Gas and oil	7,500	8,716	8,559	157
Equipment and building repairs and maintenance	20,000	20,357	23,461	(3,104)
Supplies	4,900	5,444	8,655	(3,211)
Telephone	4,500	4,547	4,359	188
Insurance	30,000	29,564	31,752	(2,188)
Workman's compensation	28,000	30,809	31,638	(829)
Uniforms	4,000	2,580	2,772	(192)
Retirement contributions	60,000	53,458	53,389	69

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures (continued)  
Year Ended June 30, 2007

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fire department (continued) -				
Group insurance	52,000	45,106	48,264	(3,158)
Utilities	18,500	15,838	16,723	(885)
Medicare taxes	5,600	5,871	5,745	126
School training	3,000	5,194	4,961	233
Payroll taxes	800	871	851	20
Contribution of fire insurance rebate	18,000	30,144	32,296	(2,152)
Professional fees	5,000	6,111	5,566	545
Miscellaneous	4,500	2,707	2,437	270
Total fire department	<u>634,900</u>	<u>661,998</u>	<u>658,477</u>	<u>3,521</u>
Total public safety	<u>1,705,665</u>	<u>1,901,570</u>	<u>1,893,795</u>	<u>7,775</u>
Streets and drainage:				
Salaries	240,000	265,789	255,281	10,508
Gas, oil and fuel	25,000	27,233	28,044	(811)
Truck and equipment repairs	32,900	40,422	39,204	1,218
Equipment lease	14,481	12,412	12,412	-
Tools and supplies	15,000	23,921	24,878	(957)
Telephone	2,500	2,424	2,622	(198)
Insurance	25,000	23,227	25,840	(2,613)
Workman's compensation	40,000	47,274	47,277	(3)
Retirement contributions	33,000	34,624	33,261	1,363
Group insurance	46,000	38,378	40,638	(2,260)
Uniforms	2,800	2,804	2,660	144
Auto allowance	2,400	2,400	2,400	-
Utilities - street lights	93,000	93,692	94,134	(442)
Medicare taxes	4,600	5,856	5,689	167
Payroll taxes	500	532	510	22
Medical expense	-	11	4	7
Sand, gravel, cement and dirt	2,600	1,989	1,531	458
Main street program/Economic development	10,000	12,663	21,960	(9,297)
Street, repairs and overlay	49,600	32,149	27,875	4,274
Professional fees	3,000	5,510	5,042	468
Impounder	6,300	6,266	6,145	121
Grass and tree cutting	5,000	-	3,415	(3,415)
Miscellaneous	13,300	17,426	19,551	(2,125)
Total streets and drainage	<u>666,981</u>	<u>697,002</u>	<u>700,373</u>	<u>(3,371)</u>

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures (continued)  
Year Ended June 30, 2007

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Culture and recreation:				
Salaries	87,000	101,651	100,943	708
Gas, oil and diesel	4,400	3,505	4,315	(810)
Building and equipment repairs	65,000	45,519	48,121	(2,602)
Small tools and supplies	20,200	13,895	17,571	(3,676)
Telephone	3,000	2,907	3,122	(215)
Insurance	15,000	8,756	12,226	(3,470)
Workman's compensation	5,000	6,092	6,367	(275)
Retirement contributions	13,500	12,523	12,202	321
Group insurance	15,000	13,275	12,777	498
Uniforms	1,000	693	697	(4)
Utilities	44,000	39,667	40,936	(1,269)
Medicare taxes	1,200	2,105	2,252	(147)
Payroll taxes	200	204	202	2
Professional fees	5,700	4,063	3,296	767
Swamp Pop	-	3,752	4,095	(343)
Miscellaneous	10,000	8,857	9,879	(1,022)
Total culture and recreation	<u>290,200</u>	<u>267,464</u>	<u>279,001</u>	<u>(11,537)</u>
Capital outlay:				
Administrative -				
Equipment	-	1,776	1,776	-
Public safety -				
Police:				
Equipment	-	19,142	20,537	(1,395)
Vehicles	-	26,570	26,570	-
Fire:				
Equipment	-	12,490	10,490	2,000
Fire truck	198,000	198,875	198,875	-
Streets and drainage -				
Equipment	-	1,526	1,306	220
Vehicles	-	3,975	4,075	(100)
Lincoln Road improvements	125,000	-	-	-
Culture and recreation -				
Equipment	-	5,259	3,660	1,599
Civic Center pavilion	400,000	-	-	-
Museum project	10,000	17,919	46,764	(28,845)
Park improvements	50,000	2,700	-	2,700
Total capital outlay	<u>783,000</u>	<u>290,232</u>	<u>314,053</u>	<u>(23,821)</u>
Debt Service:				
Principal	90,000	90,000	90,000	-
Interest	51,030	51,030	54,972	(3,942)
Total debt service	<u>141,030</u>	<u>141,030</u>	<u>144,972</u>	<u>(3,942)</u>
Total expenditures	<u>\$4,196,409</u>	<u>\$4,139,629</u>	<u>\$4,221,299</u>	<u>\$(81,670)</u>

CITY OF VILLE PLATTE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Other Financing Sources (Uses)  
Year Ended June 30, 2007

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Proceeds from long-term debt	\$ 198,000	\$ 200,000	\$ 200,000	\$ -
Transfers from (to) other funds -				
Utility Fund	230,000	507,500	337,500	(170,000)
1975 Sales Tax Fund	700,000	853,800	1,026,500	172,700
LCDBG	-	-	(19,800)	(19,800)
Total other financing sources (uses)	<u>\$ 1,128,000</u>	<u>\$ 1,561,300</u>	<u>\$ 1,544,200</u>	<u>\$ (17,100)</u>

**NONMAJOR GOVERNMENTAL FUNDS**

CITY OF VILLE PLATTE, LOUISIANA  
Nonmajor Governmental Funds

Combining Balance Sheet  
June 30, 2007

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Totals</u>
<b>ASSETS</b>				
Cash	\$ 23,625	\$ 3,395	\$ -	\$ 27,020
Interest-bearing deposits, at cost	106,835	40,996	270,214	418,045
Accrued interest receivable	-	-	121	121
Due from other governmental units	8,817	-	-	8,817
Prepaid items	<u>1,152</u>	<u>-</u>	<u>-</u>	<u>1,152</u>
Total assets	<u>\$ 140,429</u>	<u>\$ 44,391</u>	<u>\$ 270,335</u>	<u>\$ 455,155</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 4,081	\$ -	\$ 1,255	\$ 5,336
Contracts payable	2,200	-	-	2,200
Accrued liabilities	<u>-</u>	<u>670</u>	<u>-</u>	<u>670</u>
Total liabilities	<u>6,281</u>	<u>670</u>	<u>1,255</u>	<u>8,206</u>
<b>Fund balances:</b>				
Reserved for prepaid items	1,152	-	-	1,152
Reserved for debt service	-	43,721	-	43,721
Reserved for housing purposes	122,874	-	-	122,874
Unreserved, designated for subsequent years' expenditures	<u>-</u>	<u>-</u>	<u>269,080</u>	<u>269,080</u>
Unreserved, undesignated	10,122	-	-	10,122
Total fund balances	<u>134,148</u>	<u>43,721</u>	<u>269,080</u>	<u>446,949</u>
Total liabilities and fund balances	<u>\$ 140,429</u>	<u>\$ 44,391</u>	<u>\$ 270,335</u>	<u>\$ 455,155</u>



CITY OF VILLE PLATTE, LOUISIANA  
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended June 30, 2007

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Totals</u>
Revenues:				
Intergovernmental	\$ 507,935	\$ -	\$ -	\$ 507,935
Fines and forfeits	73,308	-	-	73,308
Marshall fees	12,000	-	-	12,000
Miscellaneous	942	306	8,054	9,302
Total revenues	<u>594,185</u>	<u>306</u>	<u>8,054</u>	<u>602,545</u>
Expenditures:				
Current -				
General government	311,781	-	-	311,781
Streets and drainage	-	-	50,403	50,403
Urban redevelopment and housing	425,725	-	-	425,725
Capital outlay	-	-	342,376	342,376
Total expenditures	<u>737,506</u>	<u>-</u>	<u>392,779</u>	<u>1,130,285</u>
Excess (deficiency) of revenues over expenditures	<u>(143,321)</u>	<u>306</u>	<u>(384,725)</u>	<u>(527,740)</u>
Other financing sources (uses):				
Transfers in	200,800	-	25,274	226,074
Transfers out	(53,500)	-	-	(53,500)
Total other financing sources (uses)	<u>147,300</u>	<u>-</u>	<u>25,274</u>	<u>172,574</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	3,979	306	(359,451)	(355,166)
Fund balances, beginning	<u>130,169</u>	<u>43,415</u>	<u>628,531</u>	<u>802,115</u>
Fund balances, ending	<u>\$ 134,148</u>	<u>\$ 43,721</u>	<u>\$ 269,080</u>	<u>\$ 446,949</u>

## **NONMAJOR SPECIAL REVENUE FUNDS**

### **City Court Fund**

To account for the City's portion of City Court fine income and expenditures paid directly from the City's funds.

### **Section 8 Housing Fund**

To account for the administration of grant funds received from the U.S. Department of Housing and Urban Development to provide rental assistance to qualified low income individuals.

### **Louisiana Community Development Block Grant Fund (LCDBG)**

To account for the administration of grant funds from the State of Louisiana Division of Administration for sewer improvements.

CITY OF VILLE PLATTE, LOUISIANA  
Nonmajor Special Revenue Funds

Combining Balance Sheet  
June 30, 2007

	<u>City Court</u>	<u>Section 8 Housing</u>	<u>LCDBG</u>	<u>Totals</u>
<b>ASSETS</b>				
Cash	\$ 7,586	\$ 16,039	\$ -	\$ 23,625
Interest-bearing deposits	-	106,835	-	106,835
Due from other governmental units	6,617	-	2,200	8,817
Prepaid items	1,152	-	-	1,152
Total assets	<u>\$ 15,355</u>	<u>\$ 122,874</u>	<u>\$ 2,200</u>	<u>\$ 140,429</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 4,081	\$ -	\$ -	\$ 4,081
Contracts payable	-	-	2,200	2,200
Total liabilities	<u>4,081</u>	<u>-</u>	<u>2,200</u>	<u>6,281</u>
<b>Fund balances:</b>				
Reserved for prepaid items	1,152	-	-	1,152
Reserved for housing purposes	-	122,874	-	122,874
Unreserved - undesignated	10,122	-	-	10,122
Total fund balances	<u>11,274</u>	<u>122,874</u>	<u>-</u>	<u>134,148</u>
Total liabilities and fund balances	<u>\$ 15,355</u>	<u>\$ 122,874</u>	<u>\$ 2,200</u>	<u>\$ 140,429</u>

CITY OF VILLE PLATTE, LOUISIANA  
Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended June 30, 2007

	City Court	Section 8 Housing	LCDBG	Totals
Revenues:				
Intergovernmental	\$ 41,398	\$ 432,837	\$ 33,700	\$ 507,935
Fines and forfeits	73,308	-	-	73,308
Marshall fees	12,000	-	-	12,000
Miscellaneous	-	942	-	942
Total revenues	<u>126,706</u>	<u>433,779</u>	<u>33,700</u>	<u>594,185</u>
Expenditures:				
Current -				
General government	311,781	-	-	311,781
Urban redevelopment and housing	-	425,725	-	425,725
Total expenditures	<u>311,781</u>	<u>425,725</u>	<u>-</u>	<u>737,506</u>
Excess (deficiency) of revenues over expenditures	<u>(185,075)</u>	<u>8,054</u>	<u>33,700</u>	<u>(143,321)</u>
Other financing sources (uses):				
Operating transfers in	181,000	-	19,800	200,800
Operating transfers out	-	-	(53,500)	(53,500)
Total other financing sources (uses)	<u>181,000</u>	<u>-</u>	<u>(33,700)</u>	<u>147,300</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(4,075)</u>	<u>8,054</u>	<u>-</u>	<u>3,979</u>
Fund balances, beginning	<u>15,349</u>	<u>114,820</u>	<u>-</u>	<u>130,169</u>
Fund balances, ending	<u>\$ 11,274</u>	<u>\$ 122,874</u>	<u>\$ -</u>	<u>\$ 134,148</u>

## **NONMAJOR CAPITAL PROJECTS FUNDS**

### **1993 Sales Tax Bond Construction Fund**

To account for the financing and construction of sewerage system improvements within the City. Funds were provided through the issuance of \$1,600,000 Public Improvement Sales Tax Bonds, Series ST-1993. These bonds were refunded during the fiscal year ended June 30, 2003.

### **Street and Drainage Construction Fund**

To account for the financing and construction and improving of public streets and drainage facilities. Funds have been provided through the issuance of \$1,500,000 Street and Drainage Bonds, Series 2003.

### **Municipal Building Construction Fund**

Department. Funds have been provided through the issuance of a \$3,500,000 Public Improvement Sales Tax Bond, Series ST-2001.

CITY OF VILLE PLATTE, LOUISIANA  
Nonmajor Capital Project Funds

Combining Balance Sheet  
June 30, 2007

	<u>Street &amp; Drainage Construction</u>	<u>Municipal Building Construction</u>	<u>Sales Tax Construction</u>	<u>Total</u>
<b>ASSETS</b>				
Interest - bearing deposits	\$ -	\$ 88,082	\$ 182,132	\$ 270,214
Accrued interest receivable	-	121	-	121
Total assets	<u>\$ -</u>	<u>\$ 88,203</u>	<u>\$ 182,132</u>	<u>\$ 270,335</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ -	\$ 1,255	\$ -	\$ 1,255
Fund balances:				
Unreserved, designated for subsequent years' expenditures	<u>-</u>	<u>86,948</u>	<u>182,132</u>	<u>269,080</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 88,203</u>	<u>\$ 182,132</u>	<u>\$ 270,335</u>

CITY OF VILLE PLATTE, LOUISIANA  
Nonmajor Capital Projects Fund

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended June 30, 2007

	<u>Street &amp; Drainage Construction</u>	<u>Municipal Building Construction</u>	<u>Sales Tax Construction</u>	<u>Totals</u>
Revenues:				
Miscellaneous - interest	\$ 466	\$ 5,992	\$ 1,596	\$ 8,054
Expenditures:				
Current -				
Streets and drainage	-		50,403	50,403
Capital outlay -				
Construction cost	159,166	118,697	-	277,863
Engineering and other	15,468	49,045	-	64,513
Total expenditures	<u>174,634</u>	<u>167,742</u>	<u>50,403</u>	<u>392,779</u>
Deficiency of revenues over expenditures	(174,168)	(161,750)	(48,807)	(384,725)
Other financing sources:				
Transfers in	<u>25,274</u>	-	-	<u>25,274</u>
Deficiency of revenues and other sources over expenditures	(148,894)	(161,750)	(48,807)	(359,451)
Fund balances, beginning	<u>148,894</u>	<u>248,698</u>	<u>230,939</u>	<u>628,531</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 86,948</u>	<u>\$ 182,132</u>	<u>\$ 269,080</u>

## **OTHER SUPPLEMENTARY INFORMATION**



CITY OF VILLE PLATTE, LOUISIANA  
Enterprise Fund  
Utility Fund

Schedule of Changes in Assets Restricted For Debt Service  
Year Ended June 30, 2007

	Revenue Bonds				Totals
	Cash With Paying Agent	Bond and Interest Sinking	Reserve	Renewal and Replacement	
Cash and interest-bearing deposits, July 1, 2006	\$ -	\$ 199,462	\$ 406,225	\$ 206,908	\$ 812,595
Cash receipts:					
Transfers from operating account	-	544,458	-	-	544,458
Transfers from sinking fund	548,905	-	-	-	548,905
Interest on interest-bearing deposits	-	2,650	3,057	4,176	9,883
Total cash receipts	548,905	547,108	3,057	4,176	1,103,246
Total cash and interest-bearing deposits available	548,905	746,570	409,282	211,084	1,915,841
Cash disbursements:					
Principal payments	415,000	-	-	-	415,000
Interest payments	133,280	-	-	-	133,280
Paying agents' fees	625	-	-	-	625
Transfer to paying agent	-	548,905	-	-	548,905
Total disbursements	548,905	548,905	-	-	1,097,810
Cash and interest-bearing deposits, June 30, 2007	\$ -	\$ 197,665	\$ 409,282	\$ 211,084	\$ 818,031

CITY OF VILLE PLATTE, LOUISIANA  
Enterprise Fund  
Utility Fund

Schedule of Number of Utility Customers  
(Unaudited)  
June 30, 2007

Records maintained by the City indicated the following number of customers were being served during the month of June, 2007:

<u>Department</u>	
Gas (metered)	2,105
Water (metered)	3,143
Sewerage	3,012

CITY OF VILLE PLATTE, LOUISIANA  
Enterprise Fund  
Utility Fund

Statement of Revenues, Expenses, and Changes in Retained Earnings  
Year Ended June 30, 2007

Operating revenues:	
Charges for services -	
Customer service charges	\$ 4,143,791
Connection and inspection fees	50,485
Miscellaneous	<u>105,183</u>
Total operating revenues	<u>4,299,459</u>
Operating expenses:	
Gas department expenses	2,255,973
Water department expenses	1,100,541
Sewerage department expenses	<u>726,406</u>
Total operating expenses	<u>4,082,920</u>
Operating income	<u>216,539</u>
Nonoperating revenues (expenses):	
Interest income	9,965
Interest expense	(131,164)
Bad debt recovery	1,109
Paying agents' fees	(625)
Amortization of bond issuance cost	<u>(3,301)</u>
Total nonoperating revenues (expenses)	<u>(124,016)</u>
Income before transfers	<u>92,523</u>
Transfers in (out):	
Transfers in	143,500
Transfers out	<u>(360,500)</u>
Total transfers in (out)	<u>(217,000)</u>
Decrease in retained earnings	(124,477)
Retained earnings, beginning	<u>12,051,655</u>
Retained earnings, ending	<u>\$ 11,927,178</u>

<u>Gas Department</u>	<u>Water Department</u>	<u>Sewerage Department</u>
\$ 2,439,383	\$ 950,946	\$ 753,462
12,225	24,950	13,310
36,235	45,235	23,713
<u>2,487,843</u>	<u>1,021,131</u>	<u>790,485</u>
2,255,973	-	-
-	1,100,541	-
-	-	<u>726,406</u>
<u>2,255,973</u>	<u>1,100,541</u>	<u>726,406</u>
<u>\$ 231,870</u>	<u>\$ (79,410)</u>	<u>\$ 64,079</u>

CITY OF VILLE PLATTE, LOUISIANA

Enterprise Fund

Utility Fund

Departmental Analysis of Operating Expenses  
Year Ended June 30, 2007

	<u>Gas Department</u>	<u>Water Department</u>	<u>Sewerage Department</u>	<u>Totals</u>
Salaries	\$ 213,940	\$ 207,211	\$ 106,397	\$ 527,548
Retirement contributions	30,730	25,039	13,951	69,720
Payroll/Medicare taxes	2,253	3,685	1,315	7,253
Group insurance	32,261	26,693	12,550	71,504
Uniforms	2,455	1,892	1,352	5,699
Insurance	37,166	17,456	9,254	63,876
Workman's compensation insurance	5,604	17,174	6,235	29,013
General Fund - payment in lieu of taxes	243,402	95,800	76,472	415,674
Natural gas purchased	1,434,791	-	-	1,434,791
Chataignier franchise tax	325	-	-	325
Dues & conventions	1,951	397	25	2,373
Equipment repairs and maintenance	33,504	85,049	29,600	148,153
Materials and supplies	20,208	69,635	10,984	100,827
Chemicals	-	15,030	13,737	28,767
Testing and inspection fees	4,718	8,885	25,507	39,110
Professional fees	16,514	18,452	14,806	49,772
Utilities and telephone	9,439	165,506	113,446	288,391
Rent	15,000	-	-	15,000
School training	2,800	-	-	2,800
Gas, oil and fuel	11,175	15,360	5,063	31,598
Office supplies and postage	16,782	9,554	9,140	35,476
Depreciation	78,440	301,853	263,752	644,045
Miscellaneous	2,491	2,260	5,654	10,405
Sand, gravel and dirt	-	5,122	354	5,476
Bad debt expense	21,813	8,488	6,812	37,113
Judgments and fines	491	-	-	491
Gas leak survey	17,720	-	-	17,720
Total operating expense	<u>\$ 2,255,973</u>	<u>\$ 1,100,541</u>	<u>\$ 726,406</u>	<u>\$ 4,082,920</u>

# CITY OF VILLE PLATTE, LOUISIANA

## Combined Schedule of Interest-bearing Deposits - All Funds June 30, 2007

	<u>Term</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
<b>Major governmental funds:</b>				
<b>General Fund:</b>				
Certificate of deposit - Allstate	30 days	07/31/07	3.24%	\$ 55,661
Certificate of deposit - Citizens Bank	90 days	07/24/07	3.50%	43,795
Certificate of deposit - Hancock Bank	30 days	07/10/07	4.20%	200,691
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	36,245
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	23,604
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	6,759
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	801,892
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	26,322
Savings account - Evangeline Bank	N/A	N/A	1.75%	2,075
Total General Fund				<u>1,197,044</u>
<b>1975 Sales Tax Fund -</b>				
Certificate of deposit - Guaranty Bank	180 days	07/30/07	3.60%	<u>52,971</u>
<b>1984 Sales Tax Fund -</b>				
Certificate of deposit - Evangeline Bank	180 days	11/04/07	3.35%	234,762
Certificate of deposit - Allstate	30 days	07/31/07	3.24%	37,107
Certificate of deposit - Guaranty Bank	180 days	07/30/07	3.60%	52,971
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	938,927
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	143,840
Total 1984 Sales Tax Fund				<u>1,407,607</u>
<b>Sales Tax Bond Debt Service Fund</b>				
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	505,816
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	715,589
Total Utility Bond Construction Fund				<u>1,221,405</u>
Total Major Governmental Funds				<u>3,879,027</u>
<b>Nonmajor governmental funds:</b>				
<b>Section 8 Housing Fund -</b>				
Interest-bearing checking account - Hancock	N/A	N/A	Variable	<u>106,835</u>
<b>Public Improvement Bond Fund -</b>				
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	<u>40,996</u>

(continued)

CITY OF VILLE PLATTE, LOUISIANA

Combined Schedule of Interest-bearing Deposits - All Funds (Continued)  
June 30, 2007

	<u>Term</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
1993 Sales Tax Bond Construction Fund-				
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	<u>182,132</u>
Municipal Building Construction Fund -				
Certificate of deposit - Evangeline Bank	30 days	07/14/07	3.00%	81,878
Interest-bearing checking account - Citizens Bank	N/A	N/A	Variable	<u>6,204</u>
Total Municipal Building Construction Fund				<u>88,082</u>
Total nonmajor governmental funds				<u>418,045</u>
Utility Fund:				
Certificate of deposit - Guaranty Bank	180 days	11/28/07	4.25%	400,000
Certificate of deposit - Citizens Bank	30 days	07/08/07	2.00%	211,084
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	197,665
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	409,282
Interest-bearing checking account - Evangeline Bank	N/A	N/A	Variable	<u>2,978</u>
Total Utility Fund				<u>1,221,009</u>
Total all funds				<u>\$ 5,518,081</u>

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Insurance in Force  
(Unaudited)  
June 30, 2007

Description of Coverage	Coverage Amounts
Workmen's compensation - Employer's liability	Statutory
Surety bonds -	
Mayor	\$ 40,000
Mayor Pro-tem	40,000
City Clerk	40,000
Treasurer	40,000
Utility clerks (4)	40,000
Property tax collectors (3)	20,000
Purchasing agent	20,000
Council members (2)	20,000
City Court employees (5)	20,000
Police Department Notary Publics (2)	5,000
Blanket coverage on City property buildings and contents	4,482,216
Comprehensive automobile and physical damage	1,111,162
Commercial general liability	500,000
Errors and omissions liability	500,000
Police professional liability	500,000



**INTERNAL CONTROL, COMPLIANCE  
AND  
OTHER GRANT INFORMATION**

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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Bill Jeanmard, Mayor  
and Members of the Board of Aldermen  
City of Ville Platte, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ville Platte, Louisiana, as of and for the year ended June 30, 2007, which collectively comprise the City's basic financial statements and have issued our report thereon dated October 4, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control. We consider deficiencies 07-5(IC), 07-6(IC) and 07-9(IC) as described in the accompanying summary schedule of current and prior year audit findings and corrective action plan to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe significant deficiency 07-6(IC) described above is a material weaknesses.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as items 07-1(C) through 07-2(C).

The City of Ville Platte's response to the findings identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the City's management and federal awarding agencies and pass-through entities is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Ville Platte, Louisiana  
October 4, 2007

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Honorable Bill Jeanmard, Mayor  
and Members of the Board of Aldermen  
City of Ville Platte, Louisiana

### Compliance

We have audited the compliance of the City of Ville Platte, Louisiana, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2007. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

As described in item 07-3(C) and 07-4(C) in the accompanying schedule of finding and questioned costs, the City of Ville Platte did not comply with requirements regarding special tests and provisions that are applicable to its Section 8 Housing Choice Vouchers program. Compliance with such requirements is necessary, in our opinion, for the City of Ville Platte to comply with the requirements applicable to that program.

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In our opinion, except for the noncompliance described in the preceding paragraph, the City of Ville Platte complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2007.

#### Internal Control over Compliance

The management of the City of Ville Platte is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies and to be material weaknesses.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 07-7(IC) and 07-8(IC) to be significant deficiencies.

A material weaknesses is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider item 07-7(IC) and 07-8(IC) to be material weaknesses.

The City's response to the findings identified in our audit are described in the accompanying summary schedule of current and prior year audit findings and corrective action plan. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended for the information of the City's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

**Kolder, Champagne, Slaven & Company, LLC**  
Certified Public Accountants

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2007

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Expenditures</u>
United States Department of Housing and Urban Development		
Section 8 Housing Choice Vouchers	14.871	\$425,725
Passed through the State of Louisiana Division of Administration		
Community Development Block Grant's/State's Program	14.228	31,500
Department of Agriculture Forest Service		
Passed through Louisiana Department of Agriculture and Forestry:		
Cooperative Forestry Assistance	10.664	1,000
Department of Homeland Security		
Passed through Louisiana Office of State Police		
Homeland Security Grant Program	97.067	7,647
United States Department of Agriculture -		
Passed through Louisiana Department of Education:		
Summer Food Service Program for Children	10.559	<u>52,111</u>
Total		<u>\$ 517,983</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2007

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the City of Ville Platte (the City). The City's reporting entity is defined in Note 1 to the basic financial statements for the year ended June 30, 2007. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's financial statements for the year ended June 30, 2007.

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2007

Part I. Summary of Auditors' Results:

1. An unqualified opinion was issued on the financial statements of the City of Ville Platte's primary government.
2. Three significant deficiencies in internal control were disclosed by the audit of the financial statements. One of the deficiencies is considered to be a material weaknesses.
3. Two instances of noncompliance material to the financial statements of the City of Ville Platte, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit of the financial statements.
4. Two significant deficiencies in internal control over major federal award programs were disclosed by the audit of the financial statements. Both deficiencies are considered to be material weaknesses.
5. A qualified opinion was issued on compliance for the major programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this Schedule.
7. The major program was the U.S. Department of Housing and Urban Development's Section 8 Housing Choice Vouchers Program, CFDA# 14.871.
8. The threshold used for distinguishing between Type A and Type B programs as described in Section 520(B) of OMB Circular A-133, was \$300,000.
9. The auditee did not qualify as a low-risk auditee under Section 530 of OMB Circular A-133.

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

A. Compliance Findings –

See compliance findings 07-1(C) and 07-2(C) in the Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan.

B. Internal Control Findings –

See internal control findings 07-5(IC), 07-6(IC), and 07-9(IC) in the Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan.



CITY OF VILLE PLATTE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2007

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

A. Compliance Findings –

07-3(C)

*Statement of Condition:* Regarding the Section 8 Housing Choice Voucher Program's tenant files, several applications had no signature or date or time present; several tenant files did not contain evidence of verification determining that the city's failed housing quality standards (HQS) inspection repairs were completed; there was no documentation of tenant's value of assets owned; and changes in monthly lease rental amounts by landlords were not documented and maintained in the tenant's file.

*Criteria:* Eligibility for the program requires tenant files include all documentation required by the U.S. Department of Housing and Urban Development.

*Effect of Condition:* Assistance cannot be properly determined without all required information.

*Cause of Condition:* Documentation requirements determined by HUD were not followed.

*Auditor's Recommendation:* All items necessary for determination of tenant eligibility should be obtained and/or documented in the files as required by HUD.

*Grantee Response:* All tenant files will be updated to include all information required by the U.S. Department of Housing and Urban Development.

07-4(C)

*Statement of Condition:* Regarding the Section 8 Housing Choice Voucher Program's waiting list, no proper waiting list is being maintained in accordance with the administrative plan and HUD CFR 982:204; without a proper waiting list, we were unable to ascertain if new participants were selected in order and admitted to the program accordingly; and several applicants were removed from the waiting list without proper documentation of removal in accordance with HUD CFR 982:204(c).

*Criteria:* Guidelines of the program require that tenants are added in the order that they applied to the program for assistance.

*Effect of Condition:* It cannot be determined if tenants are added to the program in order of application date.

*Cause of Condition:* A waiting list, as required by HUD CFR 982:204, was not maintained by the City of Ville Platte.

*Auditor's Recommendation:* A waiting list should be maintained and followed as required by HUD.

*Grantee Response:* A waiting list has been created and will be followed in the future.

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2007

B. Internal Control Findings –

07-7(IC) See compliance finding 07-3(C) above.

07-8(IC) See compliance finding 07-4(C) above.

CITY OF VILLE PLATTE, LOUISIANA

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan  
Year Ended June 30, 2007

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
<u>Compliance:</u>						
07-1(C)	2007	The proposed budget for 2006-2007 was not submitted to the governing authority and made available for public inspection in accordance with LRS 39:1306. All action necessary to adopt and finalize the budget was not completed prior to year end.	Yes	All requirements of the Louisiana RS 39:1306 will be followed in the future. The 2007-08 budget was presented and made available for public inspection on 6/12/07 and approved on	Shelley Fruge, City Clerk	Immediately
07-2(C)	2006	The City did not follow the provisions of public bid law, LSA-RS 38:2212. A vehicle was purchased for the police department under state contract purchasing rules. The vehicle purchased was not the vehicle authorized under the state contract chosen.	No	The City will adhere to the provisions of the Louisiana public bid law in all future purchases of materials and supplies.	Shelley Fruge, City Clerk	Immediately
07-3(C)	2006	Relative to the City's Section 8 Housing Choice Voucher Program's tenant files, the following were noted: (1) several applications had no signature, date or time present, (2) several tenant files did not contain evidence of verification determining that the city's failed housing quality standards (HQS) inspection repairs were completed, (3) no documentation of tenant's value of assets owned, and (4) changes in monthly lease rental amounts by landlords were not documented and maintained in the tenant's file.	No	All tenant files will be updated to include all information required by the U.S. Department of Housing and Urban Development.	Rita Jack, Section 8 Project Administrator	Immediately
07-4(C)	2006	Relative to the City's Section 8 Housing Choice Voucher Program's waiting list, the following was noted: (1) no proper waiting list is being maintained in accordance with the administrative plan and HUD CFR 982:204, (2) without a proper waiting list, we were unable to ascertain if new participants were selected in order and admitted to the program accordingly, and (3) several applicants were removed from the waiting list without proper documentation of removal in accordance with HUD CFR 982:204(c).	Partial	A proper waiting list has been created and will be followed in the future per the program guidelines.	Rita Jack, Section 8 Project Administrator	Immediately

(Continued)

CITY OF VILLE PLATTE, LOUISIANA

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan (Continued)  
Year Ended June 30, 2007

Fiscal Year Finding Initially Occurred	Ref. No.	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
CURRENT YEAR (6/30/07) - (continued)						
Internal Control:						
Unknown	07-5(IC)	Due to the small number of employees, the City did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Shelley Fruge, City Clerk	N/A
2007	07-6(IC)	The City of Ville Platte and the police department are not following purchasing policies. Purchase orders were issued after the purchase date and several purchases greater than \$500 were not approved by the mayor.	Yes	The City has developed and implemented a new purchasing policy effective 8/9/2007 and all managers and staff were educated regarding the changes.	Shelley Fruge, City Clerk	Immediately
2006	07-7(IC)	See compliance finding 07-3(C).				
2006	07-8-(IC)	See compliance finding 07-4(C).				
2007	07-9(IC)	The City does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	No	The City has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Shelley Fruge, City Clerk	N/A
PRIOR YEAR (6/30/06) -						
Compliance:						
2006	06-1(C)	The City did not maintain a waiting list or a list of new participants for the Section 8 Housing Choice Vouchers program. We were unable to ascertain if new participants were selected from the waiting list and admitted to the program or provided the opportunity to be admitted to the program in accordance with the City's applicant selection policies and compliance requirements provided by the Department of Housing and Urban Development.	Partial	A waiting list has been created and will be followed in the future per the program guidelines.	Rita Jack, Section 8 Project Administrator	Immediately
2006	06-2(C)	Relative to the City's Section 8 Housing Choice Vouchers program tenant files: (1) no documentation of the determination of reasonable rent in accordance with the City's administrative plan, (2) no documentation of the tenant's value of assets owned, (3) several tenant files lacked documentation of the tenant's expenses related to the deductions from annual income, and (4) tenant files did not contain evidence of verification documenting that the City's failed Housing Quality Standards (HSQ) inspection repairs were completed.	No	The program administrator will maintain all tenant files in accordance with the program guidelines.	Rita Jack, Section 8 Project Administrator	Immediately

(Continued)

# CITY OF VILLE PLATTE, LOUISIANA

## Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan (Continued) Year Ended June 30, 2007

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
<u>PRIOR YEAR (6/30/06) - (continued)</u>						
06-3(C)	2006	A bonus was paid to several employees of the City who work with the Section 8 Housing Choice Vouchers program. Article 7 Section 14 of the Louisiana Constitution prohibits public entities from making donations.	Yes	N/A	Rita Jack, Section 8 Project Administrator	N/A
06-4(C)	2006	The City of Ville Platte has a council member who did not abstain from voting on and approving transactions with a certain vendor. The council member is an employee of this vendor and is therefore considered to have an economic interest in the vendor. LA Revised Statute 42:1112 prohibits any public servant from participating in a transaction involving the governmental entity in which he is an employee and has a substantial economic interest.	Yes	N/A	Shelley Fruge, City Clerk	N/A
<u>Internal Control:</u>						
06-5(IC)	Unknown	Due to the small number of employees, the City did not have adequate segregation of functions within the accounting system.	No	No response is considered necessary.	Shelley Fruge, City Clerk	N/A
06-6(IC)	Unknown	The City of Ville Platte's police department has 14 speed passes, i.e. gas cards, activated which were not properly controlled by the Police Chief. All receipts are not turned in to match with monthly statement and mileage is not being recorded properly thereby leaving no audit trail.	Yes	N/A	Shelley Fruge, City Clerk	N/A
06-7(IC)	Unknown	Relative to the police department: (1) receipts were not available for all revenues collected at the police department and (2) purchasing procedures for purchases greater than \$500 were not followed at all times during the fiscal year.	Yes	As of August 2007, a receipt book for all revenues collected is being utilized. Also, purchasing procedures will be followed at all times.	Shelley Fruge, City Clerk	Immediately
<u>Management Letter:</u>						
06-8(ML)	2006	The City of Ville Platte's bank balances of deposits were under collateralized by \$32,155, as of June 30, 2006.	Yes	N/A	Shelley Fruge, City Clerk	N/A
06-9(ML)	2006	The City of Ville Platte did not follow the provisions of the public bid law LSA-RS 38:2212. Bids were not obtained for the purchase of police car equipment.	No	All bid laws will be followed by the police department.	Shelley Fruge, City Clerk	Immediately
06-10(ML)	2006	The City of Ville Platte did not have proper fidelity bond insurance for police department employees collecting cash.	Yes	N/A	Shelley Fruge, City Clerk	N/A
06-11(ML)	2006	The City of Ville Platte has no written policy or procedures for the use of credit cards.	Yes	N/A	Shelley Fruge, City Clerk	N/A